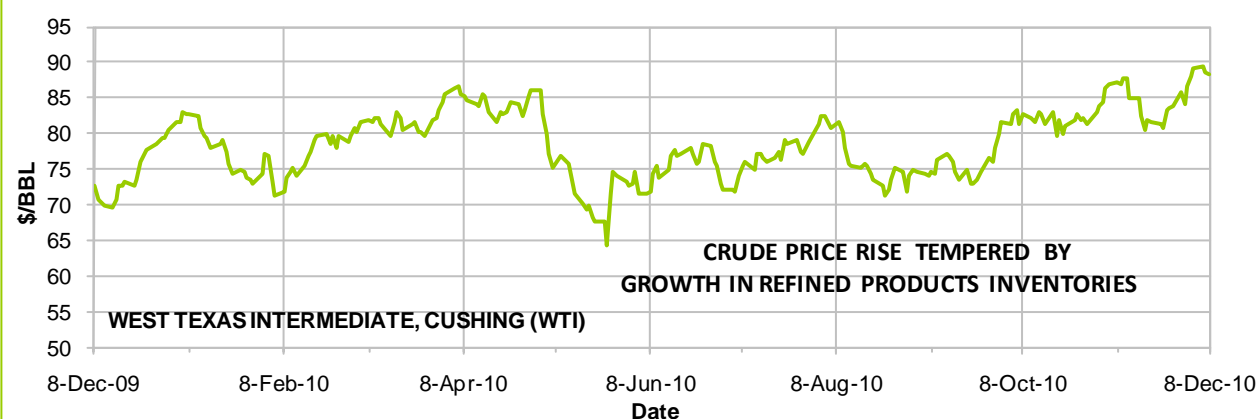


## Crude Oil



Crude inventories fell by 3.8 million barrels this week, more than two and one-half times the expected decline as well as the 5-year average decline. With refinery utilization growing by 4.9 points to 87.5%, the increases in production and in imports were more than offset by the large increase in crude flowing to refineries. This is the highest utilization level for this date since the pre-recession year of 2007. Inventories have worsened to 5.7% above last year and 9.8% above the 5-year average and they are now only the second highest level for this date.

The impact of the growth in refined products inventories reversed the surge in crude prices from a weaker dollar, higher distillate demand, and an influx of speculative money. Both spot prices and futures prices rose by \$1.55 for the week. The spot price settled at \$88.28, \$15.70 (21.6%) higher than a year ago. Futures prices were at \$89.83, \$11.34 (14.4%) higher than last year. Both prices are about 39% below their 2008 peak prices.

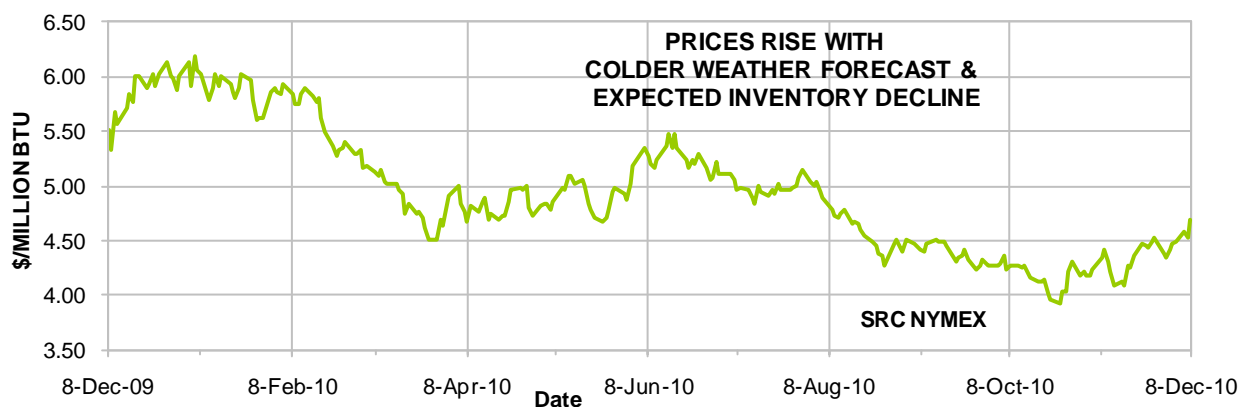


## Natural Gas



Inventories fell this week by 89 BCF as heating demand were about 5% greater than normal. The decline was 4.7% larger than the expected decline of 85 BCF and 20.6% larger than the 5-year average decline of 74 BCF. At 3,725 BCF, this week's inventory level is the second highest ever for the time period. It trails last year's record high by only 1.5% and it is 9.8% above the 5-year average. With the colder than normal weather, this season's draw of natural gas is running about 27% greater than the 5-year average.

Colder winter weather and the expectations of an inventory draw of 85 BCF pushed both futures and spot prices up by 28 cents per million BTU this past week. Futures prices settled at \$4.690 per million BTU. This was \$0.809 (14.9%) lower than a year ago and 65% below the 2008 peak. Prices have grown by 43.1 cents over the past three weeks. Spot prices settled at \$4.480 per million BTU. They are 61.0 cents (12.0%) lower than a year ago and 66.3% below their 2008 peak. Spot prices have risen by 71.0 cents over the past three weeks.

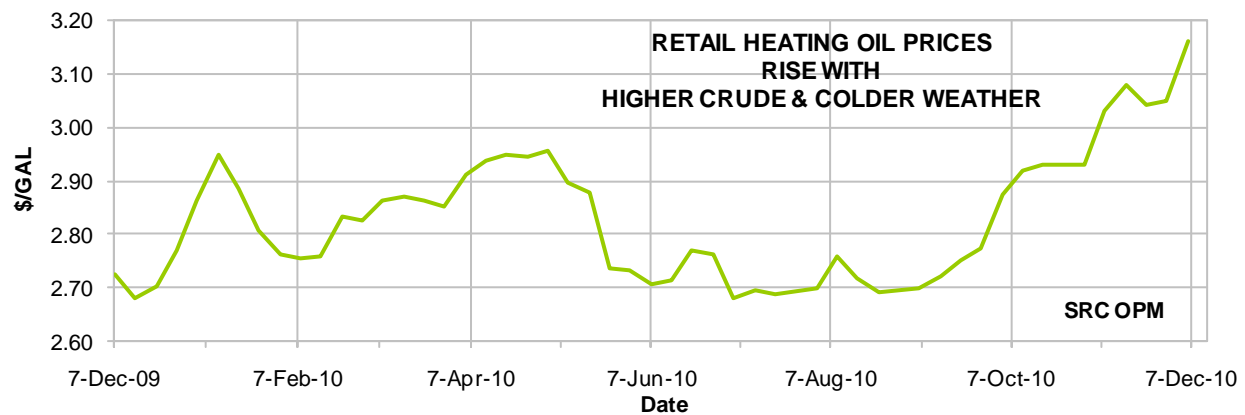


# Heating oil



Distillate stocks increased by 2.2 million barrels this week as production grew by 1.4% and imports more than doubled. Stocks are 4.1% below last year but they are the 3<sup>rd</sup> highest ever for this date, 15.9% above the five-year average.

Futures prices and spot prices have risen by about 19 cents over the past 3 weeks after falling by about 18 cents 4 weeks ago. Futures prices settled at \$2.486/gal, 39.8 cents (19.1%) above last year but \$1.709 (40.7%) below 2008's peak. Spot prices were at \$2.426/gal, 48.3 cents (24.8%) above last year but \$1.654 (40.5%) below the 2008 peak. Retail prices rose by 11.3 cents this past week. They are now at \$3.163/gal, 43.6 cents (16.0%) above a year ago but \$1.604 (33.6%) below their 2008 peak. Prices have risen by 47 cents over the past 14 weeks. The highest price in this week's survey was \$3.799 and the lowest was \$2.800. Prices are at their highest level since October of 2008. According to census data, 49.1% of dwelling units in Connecticut heat with oil.



## Connecticut Regional Heating Oil Prices

	FAIRFIELD			HARTFORD			NEW LONDON		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
7-Dec-09	2.857	3.249	2.440	2.702	2.999	2.499	2.769	2.999	2.549
22-Nov-10	3.152	3.599	2.690	3.058	3.399	2.869	3.000	3.099	2.840
29-Nov-10	3.175	3.599	2.740	3.052	3.399	2.849	3.003	3.099	2.840
6-Dec-10	3.303	3.799	2.900	3.164	3.349	3.049	3.150	3.280	2.910
	LITCHFIELD			MIDDLESEX			TOLLAND-WINDHAM		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
7-Dec-09	2.769	2.899	2.699	2.734	2.899	2.600	2.671	2.749	2.549
22-Nov-10	2.999	3.099	2.839	3.084	3.249	2.890	2.989	3.049	2.899
29-Nov-10	3.005	3.099	2.869	3.091	3.249	2.890	3.018	3.099	2.899
6-Dec-10	3.169	3.399	3.029	3.165	3.399	2.950	3.126	3.190	3.029
	NEW HAVEN								
	AVG	HIGH	LOW						
7-Dec-09	2.640	2.890	2.390						
22-Nov-10	2.975	3.249	2.690						
29-Nov-10	2.972	3.249	2.659						
6-Dec-10	3.070	3.349	2.800						

OPM conducts a weekly survey of retail heating oil prices in Connecticut. These figures reference the most recent results of that survey for the reporting week beginning December 6, 2010. Figures reflect per gallon prices without discount.

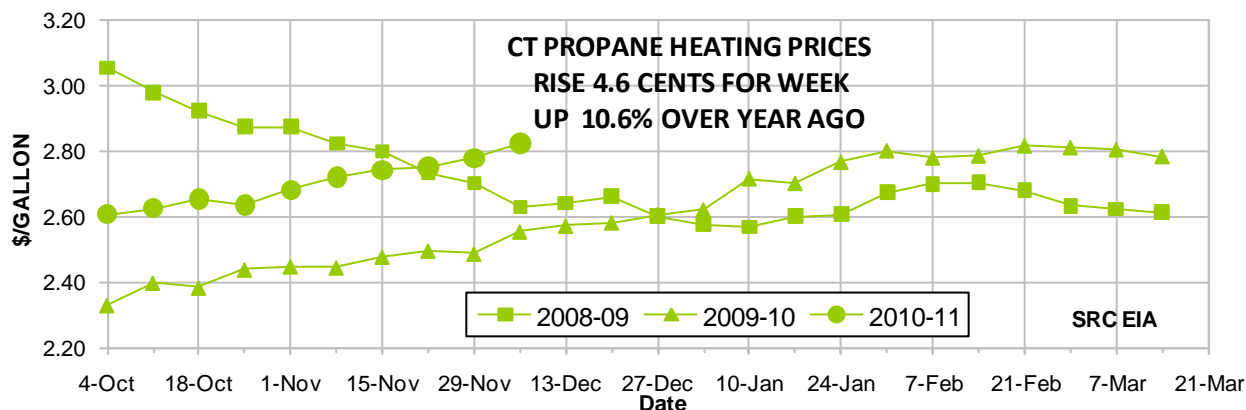
For more information, see [www.ct.gov/OPM](http://www.ct.gov/OPM) > Energy Management > Energy Price and Supply Information

# Propane



Propane inventories fell by 2.3 million barrels this week. This compares to a 5-year average decline for the week of only 0.5 million barrels. Current storage levels are 2.4% above last year. Ten weeks ago they trailed by 12.8%. Inventories are 2.1% below the 5-year average compared to 4.6% below it seven weeks ago.

Spot propane prices generally track crude oil prices. They have risen by 7.8 cents over the past 3 weeks, nearly offsetting a 9.8 cents decline 4 weeks ago. At \$1.259 per gallon yesterday, spot prices were 11.0 cents (9.5%) higher than a year ago but 36.4% lower than their peak 2008 price. The average Connecticut retail price for home heating was \$2.826/gal in this week's survey. This is 4.6 cents higher than last week and 27.2 cents (10.6%) higher than a year ago. According to census data, propane is used to heat 2.7% of homes in Connecticut.



# Gasoline



Gasoline inventories rose by 3.8 million barrels this week. This was more than 5 times the expected gain of 0.75 million and twice the 5-year average gain of 1.9 million barrels. Inventories levels are 0.9% below last year but 4.7% above the 5-year average.

Futures prices rose by 3.2 cents this past week. At \$2.347/gal, futures prices are 29.4 cents (14.3%) higher than last year. They are \$1.264 (35.0%) below their 2008 peak. Spot prices fell by 4.7 as U.S. and French refineries resumed operating and supplies became more plentiful. At \$2.325/gal, the spot price is 42.2 cents (22.2%) higher than a year ago. Spot prices are 31.9% (\$1.087) below their 2008 peak. Connecticut retail prices rose by 6.9 cents this week and by 42.6 cents over the past 10 weeks as gasoline reacted to higher crude prices and reduced gasoline supplies. At \$3.218, prices are 40.8 cents (14.5%) higher than a year ago but 26.7% (\$1.172) below 2008's peak.

